

IN THE SPECIFICATION

Please enter the following amendment to the Specification:

1. Please amend the paragraph beginning on page 5, line 6 to read as follows:

Although in the disclosed embodiments employ a reflective beam generation element, the disclosed technique can also be realized in a transmissive configuration, with a transmissive beam generation element having the source and the detector on opposite sides thereof. The beam generation element may comprise a prismatic element operative to impart an angular shift to the beam from the source. Alternatively, the beam generation element may comprise a transmissive diffractive optical element (DOE), the DOE diffractively producing at least one beam of light propagating towards the light detecting elements, the direction of the propagation being at a predetermined angle with respect to the rotation axis between the first member and the second member.

2. Please insert the following paragraphs immediately after the paragraph describing Figure 9 which begins on page 6, lines 3:

Figures 10 and 11 show embodiments of the encoder having an aperture and lens respectively for reducing beam diameter; and

Figure 12 shows an embodiment of the encoder having a transmissive beam generation element.

3. Please insert the following paragraph immediately before the paragraph beginning on page 13, line 26:

Examples of beam diameter reduction are shown in Figures 10 and 11. In Figure 10, an aperture 600 is formed in an otherwise opaque material 610 disposed along the path of the beam 120. In Figure 11, a lens 620 is disposed along the path of the beam 120.

4. Please insert the following paragraph immediately before the paragraph beginning on page 14, line 1:

An example of such a transmissive configuration is shown in Figure 12. The source 100 and detector 200 are located on an optical sensor head 630 on opposite sides of a transmissive beam generation element 300'.